

*Full*

**21st  
ANNUAL REPORT**

**ROWAN CONSOLIDATED MINES  
LIMITED**



*for the year ended  
August 31, 1967*

# ROWAN CONSOLIDATED MINES LIMITED

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## *Directors*

|                |   |   |   |   |   |   |   |   |             |
|----------------|---|---|---|---|---|---|---|---|-------------|
| A. W. WHITE    | - | - | - | - | - | - | - | - | Toronto     |
| H. R. HEARD    | - | - | - | - | - | - | - | - | Toronto     |
| F. A. FELL     | - | - | - | - | - | - | - | - | Toronto     |
| L. V. BARBISAN | - | - | - | - | - | - | - | - | Mississauga |
| J. GEDDES      | - | - | - | - | - | - | - | - | Mississauga |

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## *Officers*

|                |   |   |   |   |   |   |   |   |                     |
|----------------|---|---|---|---|---|---|---|---|---------------------|
| A. W. WHITE    | - | - | - | - | - | - | - | - | President           |
| H. R. HEARD    | - | - | - | - | - | - | - | - | Vice-President      |
| L. V. BARBISAN | - | - | - | - | - | - | - | - | Secretary-Treasurer |

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*Registrar and Transfer Agents*  
THE STERLING TRUSTS CORPORATION  
372 BAY STREET, TORONTO, ONTARIO

HEAD OFFICE - - Suite 416, 25 Adelaide St. W., Toronto



# ROWAN CONSOLIDATED MINES LIMITED

To the Shareholders  
Rowan Consolidated Mines Limited

We enclose the Company's 21st annual report for the year ended August 31, 1967, containing financial statements as reported upon by your auditors, McDonald, Nicholson & Co., Chartered Accountants.

In order to investigate two magnetic anomalies located in the geophysical examination of the Douglas Township claims described in our last annual report, two holes having a total length of 585 feet were drilled, but results were inconclusive. This work has been recorded and the claims are being held in good standing.

On May 10, 1967, the company entered into an agreement whereby it acquired an option to purchase 16 unpatented mining claims in Baldwin Township, Province of Ontario, for a consideration of \$2,000.00.

The company's examination of these claims consisted of a geophysical survey followed by more than 2,200 feet of diamond drilling in seven holes. Quartz pebbled conglomerates were located in three of the holes but the uranium content was considered too low to be of commercial interest. The company's consulting geologist recommended that, based on present geological knowledge, further drilling on this property was not warranted. The company then advised the vendors that it did not intend to make the option payment due on January 12, 1968, and reconveyed the mining claims to them.

Rowan continues to retain its gold mining property in the Townships of Ball and Todd, Red Lake Mining Division, and keeps the buildings, plant and equipment located there in good condition in order to be in a position to take advantage of any improvement in the gold mining situation.

Respectfully submitted on behalf of the Board,

A. W. WHITE,  
President.

February 1, 1968.

# ROWAN CONSOLIDATED

## Balance Sheet -

(With comparative figures)

### ASSETS

|                                                                                                  | 1967                      | 1966                      |
|--------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>CURRENT ASSETS:</b>                                                                           |                           |                           |
| Cash on Hand and in Bank .....                                                                   | \$ 793                    | \$ 834                    |
| Accounts Receivable .....                                                                        | 2,115                     | 2,514                     |
| Prepaid Expenses .....                                                                           | 238                       | 218                       |
| Funds Available under Mortgage Agreement (Note 1) .....                                          | 18,500                    | 55,000                    |
|                                                                                                  | <u>\$ 21,646</u>          | <u>\$ 58,566</u>          |
| <b>FIXED ASSETS, at cost (Note 1):</b>                                                           |                           |                           |
| Mining Claims and Properties .....                                                               | \$ 120,738                | \$ 120,738                |
| Mine Road .....                                                                                  | 9,960                     | 9,960                     |
| Buildings .....                                                                                  | 35,791                    | 35,791                    |
| Machinery and Equipment .....                                                                    | 100,602                   | 100,602                   |
| Pre-incorporation Development and Administrative<br>Costs, less sundry credits .....             | 284,355                   | 284,355                   |
| Preliminary Development, Administrative Costs and<br>Other Charges, per Statement herewith ..... | 590,426                   | 577,811                   |
|                                                                                                  | <u>\$1,141,872</u>        | <u>\$1,129,257</u>        |
| <b>OTHER ASSETS:</b>                                                                             |                           |                           |
| Interest in and Expenditure on Outside Mining<br>Properties, per Statement herewith .....        | \$ 115,268                | \$ 87,540                 |
| <b>ORGANIZATION EXPENSE</b> .....                                                                | <u>\$ 7,126</u>           | <u>\$ 7,126</u>           |
|                                                                                                  | <u><u>\$1,285,912</u></u> | <u><u>\$1,282,489</u></u> |

The accompanying Notes form

**AUDITOR'S**

To the Shareholders,  
Rowan Consolidated Mines Limited,  
TORONTO, Ontario.

We have examined the Balance Sheet of ROWAN CONSOLIDATED MINES LIMITED, Development, Administrative Costs and Other Charges, Exploration Expenditure and Organization Expense. Our examination included a general review of accounting procedures and such tests as were deemed appropriate under the circumstances.

In our opinion the accompanying Balance Sheet and related Statements present a true and fair view of the operations and the source and disposition of funds for the year ended on that date, with that of the preceding year except that we have not been able to determine the effect of certain items which may be of a current nature.

TORONTO, November 6, 1967.



# ED MINES LIMITED

*August 31, 1967*

as at August 31, 1966)

| LIABILITIES                                              |             | 1967        | 1966        |
|----------------------------------------------------------|-------------|-------------|-------------|
| CURRENT LIABILITIES:                                     |             |             |             |
| Accounts Payable and Accrued Charges .....               |             | \$ 7,521    | \$ 4,173    |
| MORTGAGE PAYABLE, 6% , due April 15, 1971 (Note 1) ..... |             | \$ 100,000  | \$ 100,000  |
| SHAREHOLDERS' EQUITY:                                    |             |             |             |
| Capital Stock                                            |             |             |             |
| Authorized 6,000,000 shares of                           |             |             |             |
| Par Value \$1.00 each .....                              | \$6,000,000 |             |             |
| Issued and Fully Paid                                    |             |             |             |
| 4,496,427 shares .....                                   |             | \$4,496,427 | \$4,496,427 |
| Less: Discount on Shares Issued .....                    |             | 3,144,606   | 3,144,606   |
|                                                          |             | \$1,351,821 | \$1,351,821 |
| Deficit, per Statement herewith .....                    |             | 173,430     | 173,505     |
|                                                          |             | \$1,178,391 | \$1,178,316 |
| Approved on behalf of the Board:                         |             |             |             |
| A. W. WHITE, Director.                                   |             |             |             |
| L. V. BARBISAN, Director.                                |             |             |             |
|                                                          |             | \$1,285,912 | \$1,282,489 |

integral part of this Statement.

## REPORT

LIMITED as at August 31, 1967, together with the Statements of Deficit, Preliminary  
Outside Properties and Source and Disposition of Funds for the year ended on that date.  
accounting records and other supporting evidence as we considered necessary in the

airly the financial position of the Company at August 31, 1967, and the results of its  
ccordance with generally accepted accounting principles applied on a basis consistent  
egree to which Funds Available under Mortgage Agreement, as described in Note 1,

McDONALD, NICHOLSON & CO.,  
Chartered Accountants.

# ROWAN CONSOLIDATED MINES LIMITED

## STATEMENT OF DEFICIT

For the year ended August 31, 1967

(With comparative figures for the year ended August 31, 1966)

|                                                          | 1967              | 1966              |
|----------------------------------------------------------|-------------------|-------------------|
| BALANCE, September 1 .....                               | \$ 173,505        | \$ 173,505        |
| Less: Amount recovered from Investment written off ..... | 75                | —                 |
| BALANCE, August 31, transferred to Balance Sheet .....   | <u>\$ 173,430</u> | <u>\$ 173,505</u> |

## STATEMENT OF PRELIMINARY DEVELOPMENT, ADMINISTRATIVE COSTS AND OTHER CHARGES

For the year ended August 31, 1967

(With comparative figures for the year ended August 31, 1966)

|                                                          | 1967              | 1966              |
|----------------------------------------------------------|-------------------|-------------------|
| DEVELOPMENT:                                             |                   |                   |
| Maintenance and Operation of Camp .....                  | \$ 1,553          | \$ 1,725          |
| Supervision of Surface Operations .....                  | 1,869             | 1,968             |
| Surface Operations, general .....                        | 398               | 481               |
| Transportation .....                                     | 565               | 598               |
|                                                          | <u>\$ 4,385</u>   | <u>\$ 4,772</u>   |
| ADMINISTRATIVE:                                          |                   |                   |
| Annual Meeting Expense .....                             | \$ 802            | \$ 535            |
| Fees, Legal and Other .....                              | 600               | 537               |
| Administrative Services .....                            | 1,800             | 1,800             |
| Interest .....                                           | 3,383             | 2,023             |
| Miscellaneous Expense .....                              | 98                | 296               |
| Transfer Agent's Fees and Expenses .....                 | 1,547             | 1,448             |
|                                                          | <u>\$ 8,230</u>   | <u>\$ 6,639</u>   |
|                                                          | <u>\$ 12,615</u>  | <u>\$ 11,411</u>  |
| Balance, beginning of year .....                         | 577,811           | 566,400           |
| BALANCE, end of year, transferred to Balance Sheet ..... | <u>\$ 590,426</u> | <u>\$ 577,811</u> |

The accompanying Notes form an integral part of this Statement.



# ROWAN CONSOLIDATED MINES LIMITED

## STATEMENT OF EXPLORATION EXPENDITURE ON OUTSIDE PROPERTIES

For the year ended August 31, 1967

(With comparative figures for the year ended August 31, 1966)

|                                                                                                                      | 1967                     | 1966                    |
|----------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------|
| <b>EXPLORATION EXPENDITURES DURING YEAR:</b>                                                                         |                          |                         |
| Camp Maintenance .....                                                                                               | \$ 811                   | \$ —                    |
| Cost of Claims .....                                                                                                 | 2,000                    | 590                     |
| Diamond Drilling .....                                                                                               | 20,173                   | —                       |
| Engineering and Technical Supervision .....                                                                          | 2,550                    | 350                     |
| Geophysical and Other Surveys .....                                                                                  | 480                      | 3,412                   |
| Miscellaneous Expense .....                                                                                          | 432                      | 19                      |
| Transfers, Abstracts and Assays .....                                                                                | 134                      | —                       |
| Travelling .....                                                                                                     | 1,148                    | 78                      |
|                                                                                                                      | <u>\$ 27,728</u>         | <u>\$ 4,449</u>         |
| Balance, September 1 .....                                                                                           | 87,540                   | 83,091                  |
| <b>BALANCE, August 31, transferred to Balance Sheet, representing expenditures on the following properties .....</b> | <u><b>\$ 115,268</b></u> | <u><b>\$ 87,540</b></u> |
| Douglas Township, Porcupine Mining Division, Ontario .....                                                           | \$ 12,426                | \$ 4,449                |
| Whitesides Township, Porcupine Mining Division, Ontario .....                                                        | 83,091                   | 83,091                  |
| Baldwin Township, Sudbury Mining Division, Ontario .....                                                             | 19,751                   | —                       |
|                                                                                                                      | <u><b>\$ 115,268</b></u> | <u><b>\$ 87,540</b></u> |

## STATEMENT OF SOURCE AND DISPOSITION OF FUNDS

For the year ended August 31, 1967

(With comparative figures for the year ended August 31, 1966)

|                                                     | 1967                      | 1966                    |
|-----------------------------------------------------|---------------------------|-------------------------|
| <b>SOURCE OF FUNDS:</b>                             |                           |                         |
| Amount recovered from Investment written off .....  | \$ 75                     | \$ —                    |
| Funds receivable under Mortgage Agreement .....     | —                         | 100,000                 |
|                                                     | <u>\$ 75</u>              | <u>\$ 100,000</u>       |
| <b>DISPOSITION OF FUNDS:</b>                        |                           |                         |
| Development and Administrative Expenditures .....   | \$ 12,615                 | \$ 11,411               |
| Exploration Expenditures .....                      | 27,728                    | 4,449                   |
|                                                     | <u>\$ 40,343</u>          | <u>\$ 15,860</u>        |
| <b>INCREASE (DECREASE) IN WORKING CAPITAL .....</b> | <u><b>\$ (40,268)</b></u> | <u><b>\$ 84,140</b></u> |
| Working Capital, September 1 .....                  | 54,393                    | (29,747)                |
| <b>WORKING CAPITAL, August 31 .....</b>             | <u><b>\$ 14,125</b></u>   | <u><b>\$ 54,393</b></u> |
| Current Assets .....                                | \$ 21,646                 | \$ 58,566               |
| Current Liabilities .....                           | 7,521                     | 4,173                   |
| <b>WORKING CAPITAL .....</b>                        | <u><b>\$ 14,125</b></u>   | <u><b>\$ 54,393</b></u> |

The accompanying Notes form an integral part of this Statement.

# ROWAN CONSOLIDATED MINES LIMITED

## NOTES TO FINANCIAL STATEMENTS

August 31, 1967

### NOTE 1:

By agreement dated April 11, 1966, Dickenson Mines Limited has undertaken to advance to the Company up to an amount of \$100,000.00 on the security of a first mortgage, bearing interest at 6% per annum, on all of its patented mining claims and buildings, machinery and equipment situate thereon, in the townships of Ball and Todd in the Red Lake Mining Division. As at balance sheet date Dickenson Mines Limited had advanced \$81,500.00 under the said agreement. The Company may acquire additional funds from time to time by advising Dickenson Mines Limited in writing, of its requirements. Provided the Company justifies the said requirements for the carrying out of its corporate affairs, Dickenson Mines Limited agrees to advance such additional funds.

The Company has covenanted under the agreement that, without the prior written consent of Dickenson Mines Limited, it shall not:

- (a) alter its capital structure or issue or option any additional treasury shares.
- (b) create or issue debt securities.
- (c) vary the number of its directors.
- (d) dispose of all or any part of its assets.
- (e) mortgage, hypothecate, pledge or permit any charge on its assets.
- (f) borrow money except in the ordinary course of business.
- (g) make any distribution to its shareholders by way of dividend or otherwise.

### NOTE 2:

By Agreement dated May 10, 1967, the Company acquired an option to purchase 16 unpatented mining claims in Baldwin Township, Province of Ontario, for a consideration of \$2,000.00.

In consideration of the aforesaid payment and further payments to the optionor of

- \$2,000 on or before January 12, 1968
- 2,000 on or before July 12, 1968
- 5,000 on or before January 12, 1969
- 5,000 on or before July 12, 1969

Rowan may incorporate a 5,000,000 share company to acquire the mining claims.

The optionor shall be entitled to 250,000 shares of the capital stock of the new company as his share of the total vendor consideration.